

Annual SAG Net-to-Gross Update Process

September 3, 2026 Large Group SAG NTG Meeting #1

Celia Johnson, SAG Facilitator

Administrative Reminders

Meeting Materials

- All Net-to-Gross process meeting materials will be posted on the [2027 NTG page](#) of the SAG website

Meeting Notes

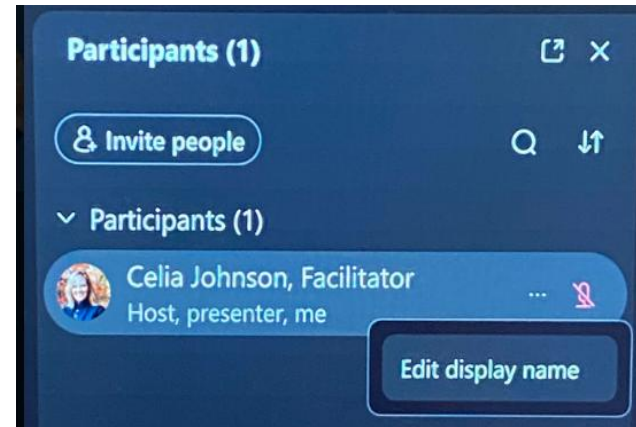
- SAG meetings are not recorded - discussion will be captured in written notes
- Meeting notes will identify follow-up items

Meeting Discussion

- There will be an opportunity for questions and discussion during each evaluator presentation
- If you have a question or comment, please raise your hand or add a question to the chat

Webex Name

- Update your name in the Webex participant list to include your first + last name, and company or organization



Meeting Best Practices

Listen and speak with an open mind

- Seek first to understand, then to be understood
- Collaboration and inclusive participation are goals of the SAG
- Keep your phone or computer audio muted if you are not engaging in the discussion
- Be patient when listening to others speak; do not interrupt
- Avoid using acronyms or phrases that may be misunderstood
- Use professional and respectful language when participating

Reminder: The Net-to-Gross update process is an opportunity to reach consensus on ratios - compromise may be needed from participants

NTG Update Process

NTG Ratio Definition from the Illinois Energy Efficiency Policy Manual:

- *Net-to-Gross (NTG) Ratio means a factor representing net savings divided by gross savings that is applied to gross impacts to convert them into net impacts. The factor itself may be made up of a variety of factors that create differences between gross and net savings, commonly including Free Riders and Spillover. The factor can be estimated and applied separately to either energy or demand savings.*

For information on Illinois NTG policies, see [Illinois Energy Efficiency Policy Manual Version 3.1](#), posted on the [Policy page](#) of the SAG website:

- Section 7.2 (Net-to-Gross Policy)
- Section 7.3 (NTG Ratio for Income Eligible Programs)
- Section 7.4 (NTG Ratio for Disadvantaged Areas)

NTG Update Process

- An annual SAG process required by the Policy Manual to discuss NTG ratios prepared by independent evaluators
 - ❖ Evaluators share initial recommended ratios by September 1
 - ❖ During the month of September, interested SAG participants review and discuss ratios
 - ❖ NTG ratios must be finalized by October 1
 - ❖ NTG ratios finalized by October 1 will be effective for the program year beginning on January 1, 2027
 - ❖ All meeting materials for this year's NTG process are posted on a dedicated page on the SAG website: <https://www.ilsag.info/evaluator-ntg-recommendations-for-2027/>
 - You can find previous annual NTG update pages on the NTG Framework page: <https://www.ilsag.info/policy/net-to-gross-framework/>

NTG Update Process

- **Consensus**

- ❖ The goal is to reach consensus on all NTG values for the 2027 program year
- ❖ If the SAG reaches consensus regarding an appropriate NTG value, that value will be used for 2027, even if it differs from the evaluators' initial recommendation

- **Non-Consensus**

- ❖ If consensus on a NTG value cannot be reached by SAG, then the evaluators' final recommended value will be deemed for the upcoming program year
- ❖ In developing the evaluators' final recommended deemed NTG ratios, evaluators review SAG feedback, take into account all comments and discussions, with the intent of making their best estimate of future actual NTG ratio values for the upcoming program year

Purpose of NTG Meeting #1

- Evaluators present initial NTG ratio recommendations for **Ameren Illinois, ComEd, Nicor Gas, Peoples Gas and North Shore Gas**
 - ❖ Evaluators share which recommendations differ from last year and notable research findings
 - ❖ Identify NTG ratios that require further discussion; capture follow-up items
 - ❖ Opportunity for any participant to raise concerns about recommended values
 - ❖ We will not begin discussing consensus during Meeting #1
- **Net-to-Gross Research**
 - ❖ This year, there is new NTG research only for ComEd; no new NTG research was completed for Ameren Illinois, Nicor Gas, or Peoples Gas & North Shore Gas

Purpose of NTG Meetings #2, #3, and #4

- To follow-up on open issues, discuss additional questions (if any), and discuss consensus on NTG ratios
 - ❖ **Meeting #2:** Thursday, September 10 (10:00 - 12:00)
 - ❖ **Meeting #3:** Thursday, September 17 (10:00 - 12:00)
 - ❖ **Meeting #4:** Thursday, September 24 (1:00 - 3:00)
- By October 1, evaluators will prepare final NTG spreadsheets for each utility. Final spreadsheets will be posted on the [2027 NTG page](#) and circulated to SAG.

Questions?

SAG Facilitation: [Celia Johnson Consulting](#)

- Celia Johnson, Lead Facilitator
- Email: Celia@CeliaJohnsonConsulting.com
- Phone: (312) 659-6758